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RICHARDSON, T. and WALBANK, J. A. *Profits and wages in the British coal trade, 1898-1910.* (London: Simpkin. Pp. 96. 6d.)

In the mining industry an increased wage might be paid by slightly reducing profit and without increasing the selling price of coal. Advocates minimum wage.

SCHMIDT, M. G. *Geschichte des Welthandels.* Second edition. (Leipzig: B. G. Teubner. 1912. Pp. iv, 146. 1.25 m.)

SONNDORFER, R. *Die Technik des Welthandels. Ein Handbuch der internationalen Handelskunde.* Fourth edition, revised by K. Ottel. Two volumes. (Vienna: A. Hölder. 1912. Pp. xvi, 382; viii, 480. 21.40 m.)

STRAUSS, P. *Studien über die kommerziellen und kapitalistischen Beziehungen zwischen England und Australien.* (Frankfort: Chr. Schack. 1912.)

— *Philip's chamber of commerce atlas; with commercial compendium and gazetteer index.* (London: G. Philip. 6d.)

Accounting, Business Methods, Investments, and the Exchanges

Factory Costs. By FRANK E. WEBNER. (New York: The Ronald Press Company. 1911. Pp. xxiii, 611. \$6.00.)

The author has divided his text into seven parts: Part I, consisting of four chapters, is entitled "Factors and Conditions." It is an introduction setting forth the needs of a cost system and the problems which are confronted in making cost-accounting installations. Part II gives 29 pages of discussion to the problems relating to the purchase, care and issuance of material. The writer takes the correct attitude towards the methods of apportioning material costs when scrap is used for the manufacture of subsidiary products. It is to be regretted that he omits all discussion of the budget method of issuing material as contrasted with the requisition system; nor does he give an adequate discussion of the limitations of the requisition system.

Part III is devoted to Labor Costs. Mr. Webner discusses the different schemes of wage payment and of recording time. While recognizing the fact that the subject of labor costs is given further consideration in another part of the volume the topic is handled rather briefly for a book of this character.

Part IV treats of the question of Expense; 104 pages are given to a discussion of the various items which enter into the expense

burden. The best part of the book, from the standpoint of accounting theory, is in this section. Mr. Webner understands, accepts, and applies the economic concepts in relation to interest and profits. He takes issue with the orthodox position that interest should not be included in the cost of manufacturing and gives a very good statement as to the reasons why the old position is untenable. His treatment of maintenance and depreciation is sound, as are also his views on increasing and decreasing land values and their effects on cost. His handling of the distribution of power costs, of local transport, of discount, of waste, and of variation of weights and of measures is all excellent. Mr. Webner is to be commended for fully facing the difficulties that are involved in distributing the so-called items of general expense. He includes in his manufacturing cost all items of expense which arise as a result of the manufacturing process. Simply that an expense is hard to distribute does not appeal to him as any reason why that item should be excluded. The problem of prorating administration expenses to the cost of manufacturing and to the cost of selling is boldly faced. Most accountants evade the whole problem of administration expense distribution by merely lumping them together in the allocation division of the income and expense statement and make them a reduction from "profits."

Part V gives a discussion of Cost Finding Plans. The author in these chapters devotes 103 pages to a discussion of the different methods of distributing costs. His explanations are clear and his observations on the different methods are well taken. Part VI consists of six chapters on the subject Cost Finding Charts. The charts are helpful in showing the relationship of the books and records that are used in the various kinds of cost finding plans and in showing the relationship of the books to the original records.

Part VII is headed "Subsidiary and Controlling Accounts" and devotes two chapters to factory accounts and their relationships to the general accounts. The third chapter entitled "The Production Register" discusses the use of production register and the methods that are to be employed in putting it into operation. Part VIII consists of 273 pages devoted to the subject of Forms. In this part of the book we have 219 forms illustrated with discussions of their uses. The reader will find much that is helpful but unless he is familiar with cost accounting methods, and already has a clear understanding of cost accounting in general, the forms

will be of little assistance to him. To the writer's mind this part of the book would have been better if distributed through the preceding sections.

The book is exceedingly valuable to the specialist in cost accounting and to factory managers, but it is not one that can be used effectively by beginners, and, to do the author justice, was not designed for such.

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Cost-Keeping for Manufacturing Plants. By STERLING H. BUNNELL. (New York: D. Appleton and Company. 1911. Pp. x, 232. \$3.00.)

According to the author's preface, this book has been written for three classes of readers: first, the experienced accountant; second, accountants and manufacturers who have in operation modern cost-keeping methods; third, other manufacturers who have hesitated to investigate their costs, for fear of encumbering their effectiveness with "red tape," delay and expense. To the experienced accountant, "the author hopes to present, in an orderly, concise and comprehensive manner, approved principles of correct cost-keeping," and in this he has been very successful. The systematic way in which he has done his work becomes more apparent as one proceeds in the study; for after referring to the importance of keeping costs, he goes on to discuss the general principles involved in such accounting. After this, he takes up the elements which are included in the cost of a manufactured product, namely, material, labor, factory expenses (or "burden" as he calls it), and sundries. Each of these is treated in great detail, and usually with a clearness of exposition that leaves nothing to be desired—just enough elaboration being given to make the fundamental principles stand out prominently. None but those who have actually installed a system of cost accounts in a large establishment can fully appreciate the lucidity with which the author discusses each of these aspects of the subject. When he has exemplified the method by which an inventory may be taken so as to be correct in description, enumeration and appraisal, he considers (ch. xiii) the routine of cost-keeping;—and shows how the data which are given upon the material tickets, the